

REMARKS

In the Office Action of October 17, 2007, the Examiner rejected the pending claims 1-53 under 35 U.S.C. § 102 and 35 U.S.C. § 103 as either being anticipated by or obvious in view of the Templeton et al. reference (U.S. Patent No. 5,679,940), the Nichols et al. reference (U.S. Publication No. 2002/0088849) or some combination thereof. By this paper, the Applicant has amended claims of the pending application in order to highlight the subject matter that the Applicant believes is allowable over the art of record. Hence, reconsideration of the above-captioned application in light of the amendments and remarks contained herein is now respectfully requested.

After carefully reviewing the Templeton and Nichols references the Applicant notes that neither Templeton nor Nichols disclose the concept of a system for assessing risk in financial transactions where the risk assessment engine obtains additional merchant parameters, including the merchants transaction history with the customer, and further requests additional identification information from the merchant at the point-of-sale device when the evaluation of the transmitted transaction information indicates that the proffered payment has a risk greater than a preselected threshold so as to further determine whether to accept or decline the proffered payment. (*See, e.g., Claim 1 as amended*). More specifically, while Templeton does disclose obtaining additional information from the merchant location about the customer when a particular transaction indicates a certain level of risk, there is no indication in Templeton of obtaining not only the additional information with respect to the customer, but also additional information about the particular merchant when an initial risk score is questionable in order to ascertain whether to accept the proffered payment or not. The Applicant notes that antecedent support for this particular limitation is provided in paragraph [0048] in the application as filed and also in Figure 4, block number 234.

As a result of obtaining both the merchant information and the additional information about the customer, financial transactions, such as proffered payments that are somewhat risky, but not risky to decline outright, can be further risk evaluated with greater accuracy. The greater accuracy stems not only from the additional information about the customer, but also the additional information about the merchant and, in particular, information relating to the

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merchant's dealings with this particular customer. For this reason, the Applicant believes that Templeton neither discloses nor teaches Claim 1 as amended. Moreover, the Applicant notes that the Nichols reference also does not disclose nor teach this particular feature. As such, the Applicant believes that Claim 1 is allowable over the art of record.

The Applicant further believes that Claims 13, 28, and 41 define additional patentable subject matter and are further allowable for reasons similar to the reasons given above with respect to Claim 1. The Applicant further submits that Claims 2-12, 14-27, 29-40 and 42-53 define additional patentable subject matter and are further allowable due to their respective dependencies on Claims 1, 13, 28, and 41. The Applicant therefore believes that the above-captioned application is in condition for allowance and requests the prompt allowance of the same. Should there be any impediment to the prompt allowance of this application that could be resolved by a telephone conference, the Examiner is respectfully requested to call the undersigned at the number shown below.

No Disclaimers or Disavowals

Although the present communication may include alterations to the application or claims, or characterizations of claim scope or referenced art, the Applicants are not conceding in this application that previously pending claims are not patentable over the cited references. Rather, any alterations or characterizations are being made to facilitate expeditious prosecution of this application. The Applicants reserve the right to pursue at a later date any previously pending or other broader or narrower claims that capture any subject matter supported by the present disclosure, including subject matter found to be specifically disclaimed herein or by any prior prosecution. Accordingly, reviewers of this or any parent, child or related prosecution history shall not reasonably infer that the Applicants have made any disclaimers or disavowals of any subject matter supported by the present application.

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Co-Pending Applications of Assignee

Applicant wishes to draw the Examiner's attention to the following co-pending applications of the present application's assignee.

Serial Number	Title	Filed
10/671,001	DATA VALIDATION SYSTEMS AND METHODS FOR FINANCIAL TRANSACTIONS	09/25/2003

Applicant notes that cited references, office actions, responses and notices of allowance currently exist or will exist for the above-referenced matter. Applicant also understands that the Examiner has access to sophisticated online Patent Office computing systems that provide ready access to, for example, specification and drawing publications, pending claims and complete file histories, including, for example, cited art, office actions, responses, and notices of allowance.

In the table below, Applicant has identified recent actions in this matter and Applicant respectfully requests that the Examiner review the entire file history. While Applicant does not believe it necessary to individually list every Patent Office communication, along with Applicant's associated responses, Applicant is doing so as a courtesy. In addition, Applicant respectfully requests that the Examiner continue to review this file history for current information about these matters.

Appl.No.	Attorney Docket No.	Document Type	Relevant Date
10/671,001	1DATA.095A	Office Action	12/31/2007

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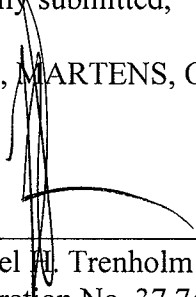
However, if the Examiner cannot readily access these file histories, the Applicant would be pleased to provide any portion of any of the file histories at any time upon specific Examiner request.

Please charge any additional fees, including any fees for additional extension of time, or credit overpayment to Deposit Account No. 11-1410.

Respectfully submitted,

KNOBBE, MARTENS, OLSON & BEAR, LLP

Dated: 11/7/08

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